

B1 (Official Form 1) (4/10)

UNITED STATES BANKRUPTCY COURT Eastern District of Tennessee				VOLUNTARY PETITION	
Name of Debtor (if individual, enter Last, First, Middle): Mountain River Guides, Inc.			Name of Joint Debtor (Spouse) (Last, First, Middle):		
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): USA Raft			All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):		
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all): 35-2431799			Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all):		
Street Address of Debtor (No. and Street, City, and State): 2 Jones Branch Road Erwin, Tennessee <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE 37650</div>			Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE</div>		
County of Residence or of the Principal Place of Business: Unicoi County			County of Residence or of the Principal Place of Business:		
Mailing Address of Debtor (if different from street address): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE 37650</div>			Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE</div>		
Location of Principal Assets of Business Debtor (if different from street address above): <div style="text-align: right; border: 1px solid black; padding: 2px;">ZIP CODE</div>					
Type of Debtor (Form of Organization) (Check one box.) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)		Nature of Business (Check one box.) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable.) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).		Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 15 Petition for <input type="checkbox"/> Chapter 9 Recognition of a Foreign <input checked="" type="checkbox"/> Chapter 11 Main Proceeding <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 15 Petition for <input type="checkbox"/> Chapter 13 Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box.) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or house- hold purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.	
Filing Fee (Check one box.) <input checked="" type="checkbox"/> Full Filing Fee attached. <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.			Chapter 11 Debtors Check one box: <input checked="" type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input checked="" type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (<i>amount subject to adjustment on 4/01/13 and every three years thereafter</i>). Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).		
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors. Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> Over 100,000 Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input checked="" type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input checked="" type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion					THIS SPACE IS FOR COURT USE ONLY

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Page 2

Voluntary Petition <i>(This page must be completed and filed in every case.)</i>		Name of Debtor(s): Mountain River Guides, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)			
Location Where Filed:	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)			
Name of Debtor:	Case Number:	Date Filed:	
District: Eastern District of Tennessee	Relationship:	Judge:	
Exhibit A (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.) <input type="checkbox"/> Exhibit A is attached and made a part of this petition.		Exhibit B (To be completed if debtor is an individual whose debts are primarily consumer debts.) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b). X _____ Signature of Attorney for Debtor(s) (Date)	
Exhibit C Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
Exhibit D (To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue (Check any applicable box.) <input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input checked="" type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District. <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.) <input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.) <div style="text-align: center;"> _____ (Name of landlord that obtained judgment) </div> <div style="text-align: center;"> _____ (Address of landlord) </div> <input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and <input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition. <input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

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Voluntary Petition (This page must be completed and filed in every case.)		Name of Debtor(s): Mountain River Guides, Inc.	
Signature(s) of Debtor(s) (Individual/Joint)		Signatures	
<p>I declare under penalty of perjury that the information provided in this petition is true and correct.</p> <p>[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.</p> <p>[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____ Signature of Debtor</p> <p>X _____ Signature of Joint Debtor</p> <p>_____ Telephone Number (if not represented by attorney)</p> <p>_____ Date</p>		<p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p>X _____ (Signature of Foreign Representative)</p> <p>_____ (Printed Name of Foreign Representative)</p> <p>_____ Date</p>	
Signature of Attorney*		Signature of Non-Attorney Bankruptcy Petition Preparer	
<p>X <u>Mark S. Dessauer</u> Signature of Attorney for Debtor(s) Mark S. Dessauer Printed Name of Attorney for Debtor(s) HUNTER, SMITH & DAVIS, LLP Firm Name P.O. Box 3740, 1212 N. Eastman Rd. Kingsport, TN 37664 Address (423) 378-8840 Telephone Number 09/02/2015 Date</p> <p>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</p>		<p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.</p> <p>_____ Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____ Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)</p> <p>_____ Address</p> <p>X _____ Date</p> <p>_____ Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.</p> <p>Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><i>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.</i></p>	
Signature of Debtor (Corporation/Partnership)			
<p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X <u>Matthew P. Moses</u> Signature of Authorized Individual Matthew P. Moses Printed Name of Authorized Individual President Title of Authorized Individual 09/02/2015 Date</p>			

ATTACHMENT 1

Debtor's Statement of Cash Flow (January 1, 2015 – September 2, 2015)

9:21 AM

09/02/15

USA Raft
Statement of Cash Flows
January 1 through September 2, 2015

	Jan 1 - Sep 2, 15
OPERATING ACTIVITIES	
Net Income	138,462.54
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-186.00
Inventory Asset	-800.00
Accounts Payable	9,616.93
Loan from Imre	-78,310.00
Net cash provided by Operating Activities	68,783.47
INVESTING ACTIVITIES	
Tiny House	-538.86
Furniture and Equipment	-100.00
Net cash provided by Investing Activities	-638.86
FINANCING ACTIVITIES	
Business Loan	-7,000.00
Opening Balance Equity:OBE 2015	-95.00
Shareholder Distributions:D Calhoun	-3,100.00
Net cash provided by Financing Activities	-10,195.00
Net cash increase for period	57,949.61
Cash at beginning of period	-2,301.71
Cash at end of period	55,647.90

ATTACHMENT 2

Debtor's Balance Sheet as of September 2, 2015

9:20 AM

09/02/15

Accrual Basis

USA Raft
Balance Sheet
As of September 2, 2015

	Sep 2, 15
ASSETS	
Current Assets	
Checking/Savings	
Mountain Commerce Checking	5,127.57
Savings at Mountain Commerce B	50,464.22
First Citizens Checking	56.11
Total Checking/Savings	55,647.90
Accounts Receivable	
Accounts Receivable	6,031.50
Total Accounts Receivable	6,031.50
Other Current Assets	
Inventory Asset	6,670.00
Total Other Current Assets	6,670.00
Total Current Assets	68,349.40
Fixed Assets	
Tiny House	15,045.64
Computers & Equipment	1,541.48
Auto Asset	
1991 Thomas Bus	3,000.00
White Van	2,750.00
1997 Ford Bus	3,707.00
Small Bus	1,500.00
1988 Thomas Bus	2,500.00
94 Dodge Van	1,382.00
Total Auto Asset	14,839.00
Accumulated Depreciation	-187,346.00
Furniture and Equipment	
Misc	12,561.00
Kayaks 13	29,600.00
Rafts 13	189,024.52
SUP Board 14	1,758.93
Raft Purchase	2,000.00
Furniture and Equipment - Other	1,300.00
Total Furniture and Equipment	236,244.45
Total Fixed Assets	80,324.57
Other Assets	
Accumulated Amortization	-58,005.00
Intangible Assets	290,024.00
Other Assets	1,050.00
Total Other Assets	233,069.00
TOTAL ASSETS	381,742.97
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	32,973.40
Total Accounts Payable	32,973.40
Credit Cards	
Credit Card Payable	10,249.00
Total Credit Cards	10,249.00
Other Current Liabilities	
Loans From Shareholder	5,902.00

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09/02/15

Accrual Basis

USA Raft
Balance Sheet
As of September 2, 2015

	Sep 2, 15
Notes Payable ST	10,000.00
Loan from Imre	-78,310.00
Total Other Current Liabilities	-62,408.00
Total Current Liabilities	-19,185.60
Long Term Liabilities	
Business Loan	243,216.80
Notes Payable LT	43,750.00
Total Long Term Liabilities	286,966.80
Total Liabilities	267,781.20
Equity	
Capital Stock	10,000.00
Opening Balance Equity	
OBE 2015	-95.00
Total Opening Balance Equity	-95.00
Retained Earnings	-24,540.45
Shareholder Distributions	
D Calhoun	-9,865.32
Total Shareholder Distributions	-9,865.32
Net Income	138,462.54
Total Equity	113,961.77
TOTAL LIABILITIES & EQUITY	381,742.97

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09/02/15

Accrual Basis

**USA Raft
Profit & Loss**

January 1 through September 2, 2015

	Jan 1 - Sep 2, 15
Ordinary Income/Expense	
Income	
French Broad Retail	8,669.83
Nolichucky Retail	31,831.13
Reservation Income	
WX Income	626.59
Cave Income	22,306.10
Crockett Cabin Income	14,694.76
F1 Income	15,006.06
Food Income	3,041.27
FX Income	77,947.92
FXL Income	28,625.80
K1 Income	156,703.55
KL Income	13,198.31
KLL Income	2,369.78
KO Income	8,159.25
KX Income	95,234.49
Package Income	454.32
Shuttle	1,435.74
Take Out Fee	3,899.50
Reservation income - Other	13,835.60
Total Reservation Income	457,539.04
Uncategorized Income	2,792.74
Total Income	500,832.74
Cost of Goods Sold	
Concession Cost	14,448.84
Merchant Account Fees	14,024.41
Total COGS	28,473.25
Gross Profit	472,359.49
Expense	
Miscellaneous	784.48
Business Expense	231.69
Take Out Fee	-1,174.00
Cash Over/Under	-3.43
Bank Fees	2,703.51
Bus Repair	339.63
Business Dinner	1,658.59
Business Trip	1,412.56
Charitable Contributions	46.00
Computer & Electronics	418.87
Crockett Cabin	
Crockett Cabin Meal Cost	4,374.63
Crockett Cabin - Other	274.42
Total Crockett Cabin	4,649.05
Deborah Calhoun Expense	11,175.04
Google	236.34
Grounds Maintenance	15.00
Guide Food	542.21
Insurance	
Excess	1,652.08
General Liability	21,276.72
Medical	784.00
Property	2,984.53
Vehicle	4,522.34
Insurance - Other	1,325.10

ATTACHMENT 3

**Debtor's Profit and Loss Statement
(January 1, 2015 - September 2, 2015)**

9:37 AM

09/02/15

Accrual Basis

**USA Raft
Profit & Loss**

January 1 through September 2, 2015

	Jan 1 - Sep 2, 15
Total Insurance	32,544.77
KO Expense	
KO Camping Gear	94.98
KO Food Costs	505.98
Total KO Expense	600.96
Loan Interest	3,000.00
Maintenance Supplies	1,374.47
Manager Fuel	2,643.72
Marketing	1,666.63
Nolichucky Trip Costs	
K1 Guide Pay	-75.00
Total Nolichucky Trip Costs	-75.00
Office Supplies	1,640.96
Outdoor Gear	1,422.08
Outpost Repairs	762.26
Owner/Manager	313.13
Payroll Expense'	
Admin Fee	2,269.63
Fed. Unemployment Tax	747.93
Medicare Tax	1,628.03
Social Security Tax	6,898.56
State Unemployment Tax	3,564.46
Wages	
Admin	10,241.56
Drivers	5,463.75
Guide	
WX	246.00
Bump	120.00
CX	3,620.00
F1	1,240.00
FX	10,845.00
FXL	5,103.00
K1	28,346.00
KL	2,062.00
KLL	792.00
KO	1,785.00
KX	12,112.00
Merc	973.00
Photo Boater	2,636.25
Tip	3,190.99
Total Guide	73,071.24
Operations	9,896.14
Reservations	11,820.08
Store	10,280.14
Total Wages	120,772.91
Worker's Comp	11,534.04
Payroll Expense' - Other	14,597.48
Total Payroll Expense'	162,013.04
Phone/Internet/Fax	
Cell Phone	2,787.15
Phone/Internet/Fax - Other	4,659.63
Total Phone/Internet/Fax	7,446.78
Photo Expense	85.58
Postage	337.30

9:37 AM

09/02/15

Accrual Basis

**USA Raft
Profit & Loss**

January 1 through September 2, 2015

	Jan 1 - Sep 2, 15
Professional Fees	3,386.00
Raft Repair	5,569.16
Reconciliation Discrepancies	9.90
refund	452.36
Reservations Expense	3,397.52
River Fees	9,198.00
River Supplies	1,110.23
Sales & Use Tax	7,079.50
Shuttle Pay	60.00
Staff Meeting	714.24
Taxes-NC	2,595.25
Taxes - TN	3,878.00
TN Tax	5,149.86
Travel	289.99
Trip Advisor Bonus	200.00
Trip Food	13,831.69
Trip Fuel	8,787.19
Uncategorized Expenses	694.10
USDA Forest Service	10,048.40
Utilities	5,937.87
Vehicle license/registration	372.66
Vehicle Repair/Maintenance	5,068.62
Website	4,650.00
Worley's Cave Trip Costs	
Cave Fees	2,608.00
Cave Supplies	141.17
Worley's Cave Trip Costs - Other	122.53
Total Worley's Cave Trip Costs	2,871.70
Total Expense	334,154.46
Net Ordinary Income	138,205.03
Other Income/Expense	
Other Income	
Interest Income	57.51
Proceeds from Sale of Assets	200.00
Total Other Income	257.51
Net Other Income	257.51
Net Income	138,462.54

ATTACHMENT 4

**Debtor's 2014 Tax Return
Including Federal Income Tax Return**

CD-401S (51)

S Corporation Tax Return 2014
North Carolina Department of Revenue

For calendar year 2014, or other tax year beginning 14 and ending

MOUNTAIN RIVER GUIDES, INC 2 JONES BRANCH RD ERWIN TN 37650			DOR Use Only	
<input type="checkbox"/> Initial Return <input type="checkbox"/> Final Return <input type="checkbox"/> Short Year Return			<input type="checkbox"/> Amended Return NC-478 <input checked="" type="checkbox"/> CD-479	
<input type="checkbox"/> Fed Schedule M-3 is attached <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Has Escheatable Property			Federal Employer ID Number 352431799 N.C. Secretary of State ID Number 1234591 NAICS Code 713900	
Qualified Subchapter S Subsidiary <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

MOUN 2 JO 37650 352431799 1234591 713900 IR N FR N

SR N AR N 478 N 479 Y M3 N LLC N EP N QSSS N

MOUNTAIN RIVER GUIDES INC

2 JONES BRANCH RD ERWIN TN 37650

GR 575526 07 0 16 40760 24C 0

TA 320823 08 35 17 0 24D 0

01 359 09 0 19 0 24E 0

HCE N 10 80084 20 0 26 25

02 0 11 0 21 0 27 0

03 0 13 0 22 25 31A 0

05 35 14 80084 24A 0 31B 0

06 0 15 0508964 24B 0 33 0

PFSP P PP P00523547 TN 4237437111

Sch. A Computation of Franchise Tax		Sch. B Computation of Corporate Income Tax	
1 Capital Stock, Surplus, & Undivided Profits	359	10 Shareholder's Shares of	80084
Holding Company Exception	N	Corporation Income (Loss)	
2 Investment in N.C. Tangible Property	0	11 Adjustments to Corporation Income (Loss)	0
3 Appraised Value of N.C. Tangible Property	0	12 N.C. Taxable Income	80084
4 Taxable Amount	359	13 Nonapportionable Income	0
5 Total Franchise Tax Due	35	14 Apportionable Income	80084
6 Application for Franchise Tax Extension	0	15 Apportionment Factor	50.8964%
7 Tax Credits	0	16 Income Apportioned to N.C.	40760
8 Franchise Tax Due	35	17 Nonapportionable Income Allocated to N.C.	0
9 Franchise Tax Overpaid	0	18 Total Net Taxable Income	40760

NCSA0201L 02/05/2015

Sign Return Below

☐ Refund Due

☒ Payment Due

HUGO HANSON
Signature and Title of Officer
HUGO HANSON

PRESIDENT

(423)-743-7111

Corporate Telephone Number

828-689-8800

Date

8/28/15

HUGO HANSON II CPA
Signature of Paid Preparer
HUGO HANSON II CPA 746 SEVEN GLENS DRIVE

Preparer's Telephone Number
WEAVERVILLE, NC 28787

Preparer's FEIN, SSN, or PTIN

☐ FEIN ☐ SSN ☒ PTIN

Mail to: NCDOR, P.O. Box 25000, Raleigh, N.C. 27640-0500. Returns are due by the 15th day of the 4th month after the end of the income year.

CD-401S 2014 Page 2 (51)

Legal Name (First 10 Characters)

MOUNTAIN R

Federal Employer ID Number

352431799

CD-401S Line-by-Line Information

Sch. B Computation of Corporate Income Tax

19	Amount of Line 18 Attributable to Nonresidents Filing Composite	0
20	Separately Stated Items of Income Attributable to Nonresidents Filing Composite	0
21	N.C. Income Tax	0
22	Annual Report Fee (\$25.00)	25
23	Add Lines 21 and 22	25
24	Payments and Credits	
	a Application for Income Tax Extension	0
	b Other Prepayments of Tax	0
	c Partnership (Include Form D-403, NC K-1)	0
	d Nonresident Withholding (Include 1099 or W-2)	0
	e Tax Credits Attributable to Nonresidents Filing Composite	0
25	Add Lines 24a through 24e	0
26	Income Tax Due	25
27	Income Tax Overpaid	0

Tax Due or Refund

28	Franchise Tax Due or Overpayment	35
29	Income Tax Due or Overpayment	25
30	Balance of Tax Due or Overpayment	60
31	a Interest	0
	b Penalties	0
	c Add Lines 31a and 31b	0
32	Total Due	60
33	Amount to be Refunded	0

Sch. C Capital Stock, Surplus, and Undivided Profits

1	Total capital stock outstanding less cost of treasury stock	10000
2	Paid-in or capital surplus	0
3	Retained earnings	-9295
4	Other surplus	0
5	Deferred or unearned income	0
6	Allowance for bad debts	0
7	LIFO reserves	0
8	Other reserves that do not represent definite and accrued legal liabilities (Attach sch)	0
9	Add Lines 1 through 8	705
10	Affiliated indebtedness (Attach schedule)	0
11	Line 9 plus (or minus) Line 10	705
12	Apportionment factor	50.8964 %
13	Capital Stock, Surplus, & Undivided Profits	359

Sch. D Investment in N.C. Tangible Property

	Inventory valuation method	
1	Total inventories located in N.C.	0
2	Total furniture, fixtures, and M & E located in N.C.	0
3	Total land and buildings located in N.C.	0
4	Total leasehold improvements and other N.C. tangible property	0
5	Add Lines 1 through 4	0

6	Acc. depreciation, depletion, and amortization with respect to N.C. tangible property	0
7	Debts existing for N.C. real estate	0
8	Investment in N.C. Tangible Property	0

Sch. E Appraised Value of N.C. Tangible Property

1	County tax value of N.C. tangible property	0
2	Appraised value of N.C. tangible property	0

Sch. F Other Information - All Taxpayers Must Complete Schedule

1	a State of incorporation	NORTH CAROLINA
	b Date incorporated	12 16 11
2	Date of N.C. Certificate of Authority	
3	Trade or business: a In N.C.	RECREATION
	b Everywhere	RECREATION
4	Principal place of business	
5	a What was the last year the IRS redetermined the corporation's federal taxable income?	
	b Were adjustments reported to N.C.?	N
	c If so, when?	
6	Is corporation subject to franchise tax but not N.C. income tax because its' income activities are protected? (If yes, attach explanation)	N

Sch. G Ordinary Income (Loss) from Trade or Business Activities

1	a Gross receipts or sales	
	b Returns and allowances	
	c Balance - Line 1a minus Line 1b	
2	Cost of goods sold (Attach schedule)	
3	Gross Profit (Line 1c minus Line 2)	
4	Net gain (loss) (Attach schedule)	
5	Other income (loss) (Attach sch)	
6	Total Income (Loss)	
7	Compensation of officers (Attach schedule)	
8	Salaries and wages (less employment credits)	
9	Repairs and maintenance	
10	Bad debts	
11	Rents	
12	Taxes and licenses	
13	Interest	
14	a Depreciation	
	b Depreciation included in cost of goods sold	
	c Balance - Line 14a minus 14b	
15	Depletion	
16	Advertising	
17	Pension, profit-sharing, and similar plans	
18	Employee benefit programs	
19	Other deductions (Att sch)	
20	Total Deductions	
21	Ordinary Business Income (Loss)	

Sch. H Computation of Income (Loss)

1	Ordinary business income (loss)	80084
2	Net rental real estate income (loss)	0

NCSA0202L 12/29/14

This page must be filed with the first page of Form CD-401S.

CD-401S 2014 Page 3 (51)

Legal Name (First 10 Characters)	MOUNTAIN R	Federal Employer ID Number	352431799
Sch. H Computation of Income (Loss)			
3 Other net rental income (loss)			0
4 Interest income			0
5 Ordinary dividends			0
6 Royalties			0
7 Net short-term capital gain (loss)			0
8 Net long-term capital gain (loss)			0
9 Net section 1231 gain (loss)			0
10 Other income (loss) (Attach Schedule)			0
11 Total Income (Loss)			80084
Sch. I Adjustments to Income (Loss)			
1 Additions to Income (Loss)			0
2 Deductions from Income (Loss)			0
3 Adjustments to Income (Loss)			0
Sch. J Explanation of Changes for Amended Return			

Sch. K Shareholders' Pro Rata Share Items

	Shareholder 1	Shareholder 2	Shareholder 3	Shareholder 4
1 Identifying Number	241047337	241478009		
2 Name	DEBORAH W CALH	MATTHEW P MOSE		
3 Address	2519 WALKER AV GREENSBORO NC	2 JONES BRANCH ERWIN TN		
4 Ownership %	50.0000 %	50.0000 %	%	%
5 Share of income (loss)	40042	40042		
6 Additions to income (loss)				
7 Deductions from income (loss)				
8 Income subject to N.C. tax	40042	40042		
9 Share of tax credits				
10 Tax withheld from nonwage compensation				
11 Amount of Line 8 apportioned or allocated to N.C. (nonresidents only)		20380		
12 Separately stated items of income (nonresidents only)				
13 Net tax paid for shareholder by corporation (nonresidents only)				
	Shareholder 5	Shareholder 6	Shareholder 7	Shareholders' Total
1 Identifying Number				
2 Name				
3 Address				
4 Ownership %	%	%	%	100.0000 %
5 Share of income (loss)				80084
6 Additions to income (loss)				
7 Deductions from income (loss)				
8 Income subject to N.C. tax				80084
9 Share of tax credits				
10 Tax withheld from nonwage compensation				
11 Amount of Line 8 apportioned or allocated to N.C. (nonresidents only)				20380
12 Separately stated items of income (nonresidents only)				
13 Net tax paid for shareholder by corporation (nonresidents only)				

This page must be filed with the first page of Form CD-401S.

CD-401S 2014 Page 5 (51)

Legal Name (First 10 Characters)

MOUNTAIN R

Federal Employer ID Number

352431799

Sch. M-2 Analysis of N.C. AAA

	N.C. Accumulated Adjustments	N.C. Other Adjustments	Undistributed Taxable Income Previously Taxed
1 Balance at beginning of year	0	-74923	0
2 Ordinary income from Sch. G, Line 21	80084		
3 Other additions	0	0	
4 Loss from Sch. G, Line 21	(0)		
5 Other reductions See Statement 1	(7691)	(0)	0
6 Compute Lines 1 through 5	72393	-74923	0
7 Distributions other than dividend distributions	6765	0	0
8 Balance at end of tax year	65628	-74923	0

Sch. N Nonapportionable Income

Nonapportionable Income	Gross Amounts	Related Expenses	Net Amounts	Net Amounts Allocated Directly to N.C.
RENTS	0	0	0	0
GAIN - TAN	0	0	0	0
INTEREST	0	0	0	0
DIVIDENDS	0	0	0	0
ROYALTIES	0	0	0	0
OTHER INVE	0	0	0	0
1 Nonapportionable Income			0	
2 Nonapportionable Income Allocated to N.C.				0

Explanation of why income listed is nonapportionable income rather than apportionable income:

Sch. O Computation of Apportionment Factor

Part 1. Domestic Corporations and Other Corporations Not Apportioning Franchise or Income Outside N.C.

%

Part 2. Corporations Apportioning Franchise or Income to N.C. and to Other States

		1 Within North Carolina		2 Total Everywhere	
		(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1 Land		0	0	0	0
2 Buildings		0	0	0	14507
3 Inventories		2890	2890	5780	5780
4 Other property		4500	4500	248766	267032
5 Total		7390	7390	254546	287319
6 Average value of property			7390		270933
7 Rented property			0		3840
8 Property Factor			7390		274773
9 Gross payroll			0		0
10 Compensation of general executive officers			0		0
11 Payroll Factor			0		0
12 Sales Factor	Stm 2		431644		575526
13 Sales Factor					
14 Total of Factors					
15 N.C. Apportionment Factor					
Part 3. Corporations Apportioning Franchise or Income to N.C. and to Other States Using Single Sales Factor					0.0000%
Part 4. Special Apportionment					0.0000%

This page must be filed with the first page of Form CD-401S.

NC K-1 (51)
(CD-401S)
10-22-14

**Shareholder's Share of
N.C. Income, Adjustments, and Credits**
North Carolina Department of Revenue

For calendar year **2014** or other year starting and ending

Part. 1 Information about the Corporation	Part. 2 Information about the Shareholder
A Corporation's Employer Identification Number 352431799	A Shareholder's Identifying Number 241047337
B Corporation's Name, Address, and Zip Code MOUNTAIN RIVER GUIDES INC 2 JONES BRANCH RD ERWIN TN 37650	B Shareholder's Name, Address, and Zip Code DEBORAH W CALHOUN 2519 WALKER AVENUE GREENSBORO NC 27403
C Has Nonresident Shareholder Agreement Form NC-NA been filed? N	C Shareholder's percentage of stock ownership for tax year 50%

Part. 3 Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items	
All Shareholders	
1 Share of corporation income (loss) Line 1 should already be included in federal taxable income	40042
2 Additions to income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions	0
3 Deductions from income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions	0
4 Share of tax credits Enter here and on Form D-400TC; See Form D-400 Instructions	0
5 Share of tax withheld from nonwage compensation paid for personal services performed in N.C. Enter here and on Form D-400, Line 20	0
Nonresidents Only	
6 Nonresident's share of N.C. taxable income (loss) Enter here and on Form D-400; See Form D-400 Instructions	0
7 Nonresident's share of separately stated items of income Line 7 should already be included in federal taxable income	0
8 Nonresident's share of net tax paid by the S Corporation Enter here and on Form D-400, Line 21d	0

NC K-1 (CD-410S) 2014

Supplemental Information

Page 2

Section 179 Deduction

North Carolina Section 179 Expense Deduction.....	\$	1,880
Total	\$	<u>1,880</u>

NC K-1 (51)
(CD-401S)
10-22-14

**Shareholder's Share of
N.C. Income, Adjustments, and Credits**
North Carolina Department of Revenue

For calendar year **2014** or other year starting and ending

Part 1 Information about the Corporation		Part 2 Information about the Shareholder	
A Corporation's Employer Identification Number 352431799		A Shareholder's Identifying Number 241478009	
B Corporation's Name, Address, and Zip Code MOUNTAIN RIVER GUIDES INC 2 JONES BRANCH RD ERWIN TN 37650		B Shareholder's Name, Address, and Zip Code MATTHEW P MOSES 2 JONES BRANCH RD ERWIN TN 37650	
C Has Nonresident Shareholder Agreement Form NC-NA been filed? Y		C Shareholder's percentage of stock ownership for tax year 50%	
Part 3 Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
All Shareholders			
1 Share of corporation income (loss) Line 1 should already be included in federal taxable income		40042	
2 Additions to income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions		0	
3 Deductions from income (loss) Enter here and on Form D-400, Schedule S; See Form D-400 Instructions		0	
4 Share of tax credits Enter here and on Form D-400TC; See Form D-400 Instructions		0	
5 Share of tax withheld from nonwage compensation paid for personal services performed in N.C. Enter here and on Form D-400, Line 20		0	
Nonresidents Only			
6 Nonresident's share of N.C. taxable income (loss) Enter here and on Form D-400; See Form D-400 Instructions		20380	
7 Nonresident's share of separately stated items of income Line 7 should already be included in federal taxable income		0	
8 Nonresident's share of net tax paid by the S Corporation Enter here and on Form D-400, Line 21d		0	

NC K-1 (CD-410S) 2014

Supplemental Information

Page 2

Form NC-K1, Line 6

Nonresident's Share of N.C. Taxable Income (Loss)

Business Income Apportioned to North Carolina.....	\$	20,380
Total	\$	<u>20,380</u>

Section 179 Deduction

North Carolina Section 179 Expense Deduction.....	\$	1,879
Total	\$	<u>1,879</u>

2014

North Carolina Statements

Page 1

Mountain River Guides, Inc

1234591

Statement 1
Form CD-401S, Schedule M-2, Line 5
Other Reductions

Section 179 Expense.....	\$	3,759
Disallowed Meals and Entertainment.....		3,932
Total	\$	<u>7,691</u>

Statement 2

CD-401S, Schedule O
Sales (North Carolina)

.....	\$	431,645
Totals	\$	<u>431,644</u>

CD-401S, Schedule O
Sales (Everywhere)

Gross Receipts or Sales.....	\$	575,526
Totals	\$	<u>575,526</u>

2014	North Carolina Section 179 Worksheet	Page 1																																																
Mountain River Guides, Inc		35-2431799																																																
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 75%;">1. Maximum dollar limitation</td> <td style="width: 5%; text-align: center;">1</td> <td style="width: 20%; text-align: right;">25,000.</td> </tr> <tr> <td>2. Total cost of Section 179 property placed in service</td> <td style="text-align: center;">2</td> <td style="text-align: right;">3,759.</td> </tr> <tr> <td>3. Threshold cost of Section 179 property before reduction in limitation</td> <td style="text-align: center;">3</td> <td style="text-align: right;">200,000.</td> </tr> <tr> <td>4. Reduction in limitation (line 2 less line 3)</td> <td style="text-align: center;">4</td> <td></td> </tr> <tr> <td>5. Dollar limitation for tax year (line 1 less line 4)</td> <td style="text-align: center;">5</td> <td style="text-align: right;">25,000.</td> </tr> <tr> <td colspan="3" style="height: 10px;"></td> </tr> <tr> <td>6. Elected cost - regular property</td> <td style="text-align: center;">6</td> <td style="text-align: right;">3,759.</td> </tr> <tr> <td>7. Elected cost - listed property</td> <td style="text-align: center;">7</td> <td></td> </tr> <tr> <td>8. Total elected cost of Section 179 property</td> <td style="text-align: center;">8</td> <td style="text-align: right;">3,759.</td> </tr> <tr> <td colspan="3" style="height: 10px;"></td> </tr> <tr> <td>9. Tentative deduction (lesser of line 5 or line 8)</td> <td style="text-align: center;">9</td> <td style="text-align: right;">3,759.</td> </tr> <tr> <td>10. Carryover of disallowed deduction from 2013</td> <td style="text-align: center;">10</td> <td></td> </tr> <tr> <td>11. Taxable income limitation (lesser of taxable income or line 5)</td> <td style="text-align: center;">11</td> <td style="text-align: right;">25,000.</td> </tr> <tr> <td>12. Section 179 deduction (add lines 9 and 10, not more than line 11)</td> <td style="text-align: center;">12</td> <td style="text-align: right;">3,759.</td> </tr> <tr> <td colspan="3" style="height: 10px;"></td> </tr> <tr> <td>13. Section 179 carryover to 2015 (add lines 9 and 10, less line 12)</td> <td style="text-align: center;">13</td> <td></td> </tr> </table>			1. Maximum dollar limitation	1	25,000.	2. Total cost of Section 179 property placed in service	2	3,759.	3. Threshold cost of Section 179 property before reduction in limitation	3	200,000.	4. Reduction in limitation (line 2 less line 3)	4		5. Dollar limitation for tax year (line 1 less line 4)	5	25,000.				6. Elected cost - regular property	6	3,759.	7. Elected cost - listed property	7		8. Total elected cost of Section 179 property	8	3,759.				9. Tentative deduction (lesser of line 5 or line 8)	9	3,759.	10. Carryover of disallowed deduction from 2013	10		11. Taxable income limitation (lesser of taxable income or line 5)	11	25,000.	12. Section 179 deduction (add lines 9 and 10, not more than line 11)	12	3,759.				13. Section 179 carryover to 2015 (add lines 9 and 10, less line 12)	13	
1. Maximum dollar limitation	1	25,000.																																																
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Form 1120S	U.S. Income Tax Return for an S Corporation ▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. ▶ Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s .	OMB No. 1545-0123 <div style="font-size: 2em; font-weight: bold;">2014</div>
Department of the Treasury Internal Revenue Service		
For calendar year 2014 or tax year beginning , 2014, ending ,		
A S election effective date <div style="border: 1px solid black; padding: 2px;">12/16/2011</div>	TYPE OR PRINT <div style="border: 1px solid black; padding: 2px;"> Mountain River Guides, Inc 2 Jones Branch Rd Erwin, TN 37650 </div>	D Employer identification number <div style="border: 1px solid black; padding: 2px;">35-2431799</div> E Date incorporated <div style="border: 1px solid black; padding: 2px;">12/16/2011</div> F Total assets (see instructions) <div style="border: 1px solid black; padding: 2px;">\$ 320,823.</div>
C Check if Schedule M-3 attached <input type="checkbox"/>		

G Is the corporation electing to be an S corporation beginning with this tax year? Yes ☐ No ☒ If 'Yes,' attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
 (4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year 2

Caution. Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

INCOME	1a Gross receipts or sales.....	1a	575,526.
	b Returns and allowances.....	1b	
	c Balance. Subtract line 1b from line 1a.....	1c	575,526.
	2 Cost of goods sold (attach Form 1125-A).....	2	29,312.
	3 Gross profit. Subtract line 2 from line 1c.....	3	546,214.
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797).....	4	
DEDUCTIONS SEE INSTRUCTIONS	5 Other income (loss) (see instrs — att statement).....	5	
	6 Total income (loss). Add lines 3 through 5..... ▶	6	546,214.
	7 Compensation of officers (see instructions - attach Form 1125-E).....	7	
	8 Salaries and wages (less employment credits).....	8	
	9 Repairs and maintenance.....	9	
	10 Bad debts.....	10	
	11 Rents.....	11	480.
	12 Taxes and licenses.....	12	13,195.
	13 Interest.....	13	500.
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562).....	14	63,755.
	15 Depletion (Do not deduct oil and gas depletion.).....	15	
	16 Advertising.....	16	16,813.
	17 Pension, profit-sharing, etc, plans.....	17	
	18 Employee benefit programs.....	18	
	19 Other deductions (attach statement)..... See Statement 1	19	371,387.
	20 Total deductions. Add lines 7 through 19..... ▶	20	466,130.
21 Ordinary business income (loss). Subtract line 20 from line 6.....	21	80,084.	
TAX AND PAYMENTS	22a Excess net passive income or LIFO recapture tax (see instructions).....	22a	
	b Tax from Schedule D (Form 1120S).....	22b	
	c Add lines 22a and 22b (see instructions for additional taxes).....	22c	
	23a 2014 estimated tax payments and 2013 overpayment credited to 2014.....	23a	
	b Tax deposited with Form 7004.....	23b	
	c Credit for federal tax paid on fuels (attach Form 4136).....	23c	
	d Add lines 23a through 23c.....	23d	
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached..... ▶ <input type="checkbox"/>	24	
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed.....	25	0.
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid.....	26	
27 Enter amount from line 26 Credited to 2015 estimated tax ▶	27	Refunded ▶	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title **President**

May the IRS discuss this return with the preparer shown below (see instructions)?
☒ Yes ☐ No

Paid Preparer Use Only

Print/preparer's name _____ Preparer's signature **Hugo Hanson** Date _____ Check ☒ if self-employed PTIN **P00523547**

Firm's name ▶ **Hugo H Hanson II CPA** Firm's EIN ▶ **22-3566339**

Firm's address ▶ **746 Seven Glens Drive** Phone no. **828-689-8800**
Weaverville, NC 28787

Form 1120S (2014) Mountain River Guides, Inc 35-2431799

Page 2

Schedule B Other Information (see instructions)					Yes	No
1 Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) > _____						
2 See the instructions and enter the: a Business activity > <u>Recreation</u> b Product or service: > <u>River Guide</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.....						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5 a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of restricted stock..... > _____						
(ii) Total shares of non-restricted stock..... > _____						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of stock outstanding at the end of the tax year..... > _____						
(ii) Total shares of stock outstanding if all instruments were executed..... > _____						
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount..... > <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions)..... > \$ _____						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year..... \$ _____						
10 Does the corporation satisfy both of the following conditions?						
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000.....						
b The corporation's total assets at the end of the tax year were less than \$250,000.....						X
If "Yes," the corporation is not required to complete Schedules L and M-1.						
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?.....						X
If "Yes," enter the amount of principal reduction \$ _____						
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.....						X
13 a Did the corporation make any payments in 2014 that would require it to file Form(s) 1099?.....					X	
b If "Yes," did the corporation file or will it file required Forms 1099?.....					X	

Form 1120S (2014)

Form 1120S (2014) Mountain River Guides, Inc 35-2431799

Page 3

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21).....	1	80,084.
	2 Net rental real estate income (loss) (attach Form 8825).....	2	
	3a Other gross rental income (loss).....	3a	
	b Expenses from other rental activities (attach statement).....	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a.....	3c	
	4 Interest income.....	4	
	5 Dividends: a Ordinary dividends.....	5a	
	b Qualified dividends.....	5b	
	6 Royalties.....	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)).....	7	
Income (Loss)	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)).....	8a	
	b Collectibles (28%) gain (loss).....	8b	
	c Unrecaptured section 1250 gain (attach statement).....	8c	
	9 Net section 1231 gain (loss) (attach Form 4797).....	9	
	10 Other income (loss) (see instructions)..... Type >	10	
Deductions	11 Section 179 deduction (attach Form 4562).....	11	3,759.
	12a Charitable contributions.....	12a	
	b Investment interest expense.....	12b	
	c Section 59(e)(2) expenditures (1) Type >..... (2) Amount >.....	12c (2)	
	d Other deductions (see instructions) .. Type >.....	12d	
Credits	13a Low-income housing credit (section 42(j)(5)).....	13a	
	b Low-income housing credit (other).....	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable).....	13c	
	d Other rental real estate credits (see instrs) Type >.....	13d	
	e Other rental credits (see instrs) Type >.....	13e	
	f Biofuel producer credit (attach Form 6478).....	13f	
	g Other credits (see instructions)..... Type >.....	13g	
Foreign Transactions	14a Name of country or U.S. possession >.....		
	b Gross income from all sources.....	14b	
	c Gross income sourced at shareholder level.....	14c	
	Foreign gross income sourced at corporate level.....		
	d Passive category.....	14d	
	e General category.....	14e	
	f Other (attach statement).....	14f	
	Deductions allocated and apportioned at shareholder level.....		
	g Interest expense.....	14g	
	h Other.....	14h	
	Deductions allocated and apportioned at corporate level to foreign source income.....		
	i Passive category.....	14i	
	j General category.....	14j	
	k Other (attach statement).....	14k	
Other information.....			
l Total foreign taxes (check one): > <input type="checkbox"/> Paid <input type="checkbox"/> Accrued.....	14l		
m Reduction in taxes available for credit (attach statement).....	14m		
n Other foreign tax information (attach statement).....			
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment.....	15a	2,629.
	b Adjusted gain or loss.....	15b	
	c Depletion (other than oil and gas).....	15c	
	d Oil, gas, and geothermal properties — gross income.....	15d	
	e Oil, gas, and geothermal properties — deductions.....	15e	
	f Other AMT items (attach statement).....	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income.....	16a	
	b Other tax-exempt income.....	16b	
	c Nondeductible expenses.....	16c	3,932.
	d Distributions (attach stmt if required) (see instrs).....	16d	6,765.
	e Repayment of loans from shareholders.....	16e	

Form 1120S (2014) Mountain River Guides, Inc 35-2431799

Page 4

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14i	18	76,325.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		3,770.		2,197.
2a	Trade notes and accounts receivable				
	b Less allowance for bad debts				
3	Inventories		5,870.		5,870.
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	248,766.		267,032.	
	b Less accumulated depreciation	119,832.	128,934.	187,346.	79,686.
11a	Depletable assets				
	b Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)	290,024.		290,024.	
	b Less accumulated amortization	38,670.	251,354.	58,005.	232,019.
14	Other assets (attach stmt)	See St. 2.	1,050.		1,051.
15	Total assets		390,978.		320,823.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year		10,000.		10,000.
18	Other current liabilities (attach stmt)	See St. 3.	10,249.		10,249.
19	Loans from shareholders		5,902.		5,902.
20	Mortgages, notes, bonds payable in 1 year or more		429,750.		293,967.
21	Other liabilities (attach statement)				
22	Capital stock		10,000.		10,000.
23	Additional paid-in capital				
24	Retained earnings		-74,923.		-9,295.
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		390,978.		320,823.

Form 1120S (2014) Mountain River Guides, Inc 35-2431799

Page 5

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books.....	72,393.	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14i (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14i, not charged against book income this year (itemize):	
a	Depreciation..... \$		a	Depreciation... \$	
b	Travel and entertainment. \$	3,932.	7	Add lines 5 and 6.....	0.
		3,932.	8	Income (loss) (Schedule K, ln 18). Ln 4 less ln 7....	76,325.
4	Add lines 1 through 3.....	76,325.			

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year.....	0.	-74,923.	
2 Ordinary income from page 1, line 21.....	80,084.		
3 Other additions.....			
4 Loss from page 1, line 21.....			
5 Other reductions..... See Statement 4	(7,691.)		
6 Combine lines 1 through 5.....	72,393.	-74,923.	
7 Distributions other than dividend distributions.....	6,765.		
8 Balance at end of tax year. Subtract line 7 from line 6.....	65,628.	-74,923.	

SPSA0134L 12/23/14

Form 1120S (2014)

671113

Schedule K-1
(Form 1120S)

Department of the Treasury
Internal Revenue Service

2014

☐ Final K-1

☐ Amended K-1

OMB No. 1545-0123

For calendar year 2014, or tax

year beginning _____, 2014
ending _____

Shareholder's Share of Income, Deductions, Credits, etc ▶ See page 2 of form and separate instructions.

Part I Information About the Corporation	
A Corporation's employer identification number	35-2431799
B Corporation's name, address, city, state, and ZIP code	Mountain River Guides, Inc 2 Jones Branch Rd Erwin, TN 37650
C IRS Center where corporation filed return	e-file
Part II Information About the Shareholder	
D Shareholder's identifying number	241-04-7337
E Shareholder's name, address, city, state, and ZIP code	Deborah W Calhoun 2519 Walker Avenue Greensboro, NC 27403
F Shareholder's percentage of stock ownership for tax year	50 %
FOR IRS USE ONLY	

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items			
1	Ordinary business income (loss)	13	Credits
			40,042.
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
		A	1,315.
11	Section 179 deduction	16	Items affecting shareholder basis
	1,880.	C	1,966.
12	Other deductions	D	6,765.
		17	Other information

*See attached statement for additional information.

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 2014

Shareholder 1

Schedule K-1 (Form 1120S) 2014 Mountain River Guides, Inc

35-2431799

Page 2

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		
Passive loss		See the Shareholder's Instructions
Passive income		Schedule E, line 28, column (g)
Nonpassive loss		Schedule E, line 28, column (n)
Nonpassive income		Schedule E, line 28, column (i)
2 Net rental real estate income (loss)		See the Shareholder's Instructions
3 Other net rental income (loss)		
Net income		Schedule E, line 28, column (g)
Net loss		See the Shareholder's Instructions
4 Interest income		Form 1040, line 8a
5a Ordinary dividends		Form 1040, line 9a
5b Qualified dividends		Form 1040, line 9b
6 Royalties		Schedule E, line 4
7 Net short-term capital gain (loss)		Schedule D, line 5
8a Net long-term capital gain (loss)		Schedule D, line 12
8b Collectibles (28%) gain (loss)		28% Rate Gain Worksheet, line 4 (Schedule D instructions)
8c Unrecaptured section 1250 gain		See the Shareholder's Instructions
9 Net section 1231 gain (loss)		See the Shareholder's Instructions
10 Other income (loss)		
Code		
A Other portfolio income (loss)		See the Shareholder's Instructions
B Involuntary conversions		See the Shareholder's Instructions
C Sec. 1256 contracts and straddles		Form 5781, line 1
D Mining exploration costs recapture		See Pub 535
E Other income (loss)		See the Shareholder's Instructions
11 Section 179 deduction		See the Shareholder's Instructions
12 Other deductions		
A Cash contributions (50%)		See the Shareholder's Instructions
B Cash contributions (30%)		
C Noncash contributions (50%)		
D Noncash contributions (30%)		
E Capital gain property to a 50% organization (30%)		
F Capital gain property (20%)		
G Contributions (100%)		
H Investment interest expense		Form 4952, line 1
I Deductions — royalty income		Schedule E, line 19
J Section 59(e)(2) expenditures		See the Shareholder's Instructions
K Deductions — portfolio (2% floor)		Schedule A, line 23
L Deductions — portfolio (other)		Schedule A, line 28
M Preproductive period expenses		See the Shareholder's Instructions
N Commercial revitalization deduction from rental real estate activities		See Form 8582 instructions
O Reforestation expense deduction		See the Shareholder's Instructions
P Domestic production activities information		See Form 8903 instructions
Q Qualified production activities income		Form 8903, line 7b
R Employer's Form W-2 wages		Form 8903, line 17
S Other deductions		See the Shareholder's Instructions
13 Credits		
A Low-income housing credit (section 42(f)(5)) from pre-2008 buildings		See the Shareholder's Instructions
B Low-income housing credit (other) from pre-2008 buildings		
C Low-income housing credit (section 42(f)(5)) from post-2007 buildings		
D Low-income housing credit (other) from post-2007 buildings		
E Qualified rehabilitation expenditures (rental real estate)		
F Other rental real estate credits		
G Other rental credits		
H Undistributed capital gains credit		Form 1040, line 73, box a
I Biofuel producer credit		See the Shareholder's Instructions
J Work opportunity credit		
K Disabled access credit		
L Empowerment zone employment credit		
M Credit for increasing research activities		

	Code	Report on
N Credit for employer social security and Medicare taxes		See the Shareholder's Instructions
O Backup withholding		
P Other credits		
14 Foreign transactions		
A Name of country or U.S. possession		Form 1116, Part I
B Gross income from all sources		
C Gross income sourced at shareholder level		
Foreign gross income sourced at corporate level		
D Passive category		Form 1116, Part I
E General category		
F Other		
Deductions allocated and apportioned at shareholder level		
G Interest expense		Form 1116, Part I
H Other		Form 1116, Part I
Deductions allocated and apportioned at corporate level to foreign source income		
I Passive category		Form 1116, Part I
J General category		
K Other		
Other information		
L Total foreign taxes paid		Form 1116, Part II
M Total foreign taxes accrued		Form 1116, Part II
N Reduction in taxes available for credit		Form 1116, line 12
O Foreign trading gross receipts		Form 8873
P Extraterritorial income exclusion		Form 8873
Q Other foreign transactions		See the Shareholder's Instructions
15 Alternative minimum tax (AMT) items		
A Post-1985 depreciation adjustment		See the Shareholder's Instructions and the instructions for Form 6251
B Adjusted gain or loss		
C Depletion (other than oil & gas)		
D Oil, gas, & geothermal — gross income		
E Oil, gas, & geothermal — deductions		
F Other AMT items		
16 Items affecting shareholder basis		
A Tax-exempt interest income		Form 1040, line 8b
B Other tax-exempt income		See the Shareholder's Instructions
C Nondeductible expenses		
D Distributions		
E Repayment of loans from shareholders		
17 Other information		
A Investment income		Form 4952, line 4a
B Investment expenses		Form 4952, line 5
C Qualified rehabilitation expenditures (other than rental real estate)		See the Shareholder's Instructions
D Basis of energy property		See the Shareholder's Instructions
E Recapture of low-income housing credit (section 42(f)(5))		Form 8611, line 8
F Recapture of low-income housing credit (other)		Form 8611, line 8
G Recapture of investment credit		See Form 4255
H Recapture of other credits		See the Shareholder's Instructions
I Look-back interest — completed long-term contracts		See Form 8697
J Look-back interest — income forecast method		See Form 8866
K Dispositions of property with section 179 deductions		See the Shareholder's Instructions
L Recapture of section 179 deduction		
M Section 453(f)(3) information		
N Section 453A(c) information		
O Section 1260(b) information		
P Interest allocable to production expenditures		
Q OCF nonqualified withdrawals		
R Depletion information — oil and gas		
S Reserved		
T Section 108(i) information		
U Net investment income		
V Other information		

Shareholder 1 : Deborah R Calhoun 241-04-7337

SP8A0412L 11/28/14

Schedule K-1 (Form 1120S) 2014

671113

OMB No. 1545-0123

Schedule K-1
(Form 1120S)

Department of the Treasury
Internal Revenue Service

2014

For calendar year 2014, or tax
year beginning _____, 2014
ending _____,

☐ Final K-1

☐ Amended K-1

Shareholder's Share of Income, Deductions, Credits, etc ▶ See page 2 of form and separate instructions.

Part I Information About the Corporation	
A Corporation's employer identification number	35-2431799
B Corporation's name, address, city, state, and ZIP code	Mountain River Guides, Inc 2 Jones Branch Rd Erwin, TN 37650
C IRS Center where corporation filed return	e-file
Part II Information About the Shareholder	
D Shareholder's identifying number	241-47-8009
E Shareholder's name, address, city, state, and ZIP code	Matthew P Moses 2 Jones Branch Rd Erwin, TN 37650
F Shareholder's percentage of stock ownership for tax year.....	50 %

FOR
IRS
USE
ONLY

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items		
1	Ordinary business income (loss)	13 Credits
	40,042.	
2	Net rental real estate income (loss)	
3	Other net rental income (loss)	
4	Interest income	
5a	Ordinary dividends	
5b	Qualified dividends	14 Foreign transactions
6	Royalties	
7	Net short-term capital gain (loss)	
8a	Net long-term capital gain (loss)	
8b	Collectibles (28%) gain (loss)	
8c	Unrecaptured section 1250 gain	
9	Net section 1231 gain (loss)	
10	Other income (loss)	15 Alternative minimum tax (AMT) items
		A 1,314.
11	Section 179 deduction	16 Items affecting shareholder basis
	1,879.	C 1,966.
12	Other deductions	
		17 Other information

*See attached statement for additional information.

BAA For Paperwork Reduction Act Notice, see Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 2014

Shareholder 2

Schedule K-1 (Form 1120S) 2014 Mountain River Guides, Inc

35-2431799

Page 2

This list identifies the codes used on Schedule K-1 for all shareholders and provides summarized reporting information for shareholders who file Form 1040. For detailed reporting and filing information, see the separate Shareholder's Instructions for Schedule K-1 and the instructions for your income tax return.

	Code	Report on
1 Ordinary business income (loss). Determine whether the income (loss) is passive or nonpassive and enter on your return as follows:		
Passive loss		See the Shareholder's Instructions
Passive income		Schedule E, line 28, column (g)
Nonpassive loss		Schedule E, line 28, column (h)
Nonpassive income		Schedule E, line 28, column (j)
2 Net rental real estate income (loss)		See the Shareholder's Instructions
3 Other net rental income (loss)		
Net income		Schedule E, line 28, column (g)
Net loss		See the Shareholder's Instructions
4 Interest income		Form 1040, line 8a
5a Ordinary dividends		Form 1040, line 9a
5b Qualified dividends		Form 1040, line 9b
6 Royalties		Schedule E, line 4
7 Net short-term capital gain (loss)		Schedule D, line 5
8a Net long-term capital gain (loss)		Schedule D, line 12
8b Collectibles (28%) gain (loss)		28% Rate Gain Worksheet, line 4 (Schedule D instructions)
8c Unrecaptured section 1250 gain		See the Shareholder's Instructions
9 Net section 1231 gain (loss)		See the Shareholder's Instructions
10 Other income (loss)		
Code		
A Other portfolio income (loss)		See the Shareholder's Instructions
B Involuntary conversions		See the Shareholder's Instructions
C Sec. 1256 contracts and straddles		Form 6781, line 1
D Mining exploration costs recapture		See Pub 535
E Other income (loss)		See the Shareholder's Instructions
11 Section 179 deduction		See the Shareholder's Instructions
12 Other deductions		
A Cash contributions (50%)		See the Shareholder's Instructions
B Cash contributions (30%)		
C Noncash contributions (50%)		
D Noncash contributions (30%)		
E Capital gain property to a 50% organization (30%)		
F Capital gain property (20%)		
G Contributions (100%)		
H Investment interest expense		Form 4952, line 1
I Deductions — royalty income		Schedule E, line 19
J Section 59(e)(2) expenditures		See the Shareholder's Instructions
K Deductions — portfolio (2% floor)		Schedule A, line 23
L Deductions — portfolio (other)		Schedule A, line 28
M Preproductive period expenses		See the Shareholder's Instructions
N Commercial revitalization deduction from rental real estate activities		See Form 8582 instructions
O Reforestation expense deduction		See the Shareholder's Instructions
P Domestic production activities information		See Form 8903 instructions
Q Qualified production activities income		Form 8903, line 7b
R Employer's Form W-2 wages		Form 8903, line 17
S Other deductions		See the Shareholder's Instructions
13 Credits		
A Low-income housing credit (section 42(i)(5)) from pre-2008 buildings		See the Shareholder's Instructions
B Low-income housing credit (other) from pre-2008 buildings		
C Low-income housing credit (section 42(i)(5)) from post-2007 buildings		
D Low-income housing credit (other) from post-2007 buildings		
E Qualified rehabilitation expenditures (rental real estate)		
F Other rental real estate credits		
G Other rental credits		
H Undistributed capital gains credit		Form 1040, line 73, box a
I Biofuel producer credit		See the Shareholder's Instructions
J Work opportunity credit		
K Disabled access credit		
L Empowerment zone employment credit		
M Credit for increasing research activities		
14 Foreign transactions		
A Name of country or U.S. possession		Form 1116, Part I
B Gross income from all sources		
C Gross income sourced at shareholder level		
Foreign gross income sourced at corporate level		
D Passive category		Form 1116, Part I
E General category		
F Other		
Deductions allocated and apportioned at shareholder level		
G Interest expense		Form 1116, Part I
H Other		Form 1116, Part I
Deductions allocated and apportioned at corporate level to foreign source income		
I Passive category		Form 1116, Part I
J General category		
K Other		
Other information		
L Total foreign taxes paid		Form 1116, Part II
M Total foreign taxes accrued		Form 1116, Part II
N Reduction in taxes available for credit		Form 1116, line 12
O Foreign trading gross receipts		Form 8873
P Extraterritorial income exclusion		Form 8873
Q Other foreign transactions		See the Shareholder's Instructions
15 Alternative minimum tax (AMT) items		
A Post-1986 depreciation adjustment		See the Shareholder's Instructions and the instructions for Form 6251
B Adjusted gain or loss		
C Depletion (other than oil & gas)		
D Oil, gas, & geothermal — gross income		
E Oil, gas, & geothermal — deductions		
F Other AMT items		
16 Items affecting shareholder basis		
A Tax-exempt interest income		Form 1040, line 8b
B Other tax-exempt income		See the Shareholder's Instructions
C Nondeductible expenses		
D Distributions		
E Repayment of loans from shareholders		
17 Other information		
A Investment income		Form 4952, line 4a
B Investment expenses		Form 4952, line 5
C Qualified rehabilitation expenditures (other than rental real estate)		See the Shareholder's Instructions
D Basis of energy property		See the Shareholder's Instructions
E Recapture of low-income housing credit (section 42(i)(5))		Form 8611, line 8
F Recapture of low-income housing credit (other)		Form 8611, line 8
G Recapture of investment credit		See Form 4255
H Recapture of other credits		See the Shareholder's Instructions
I Look-back interest — completed long-term contracts		See Form 8697
J Look-back interest — income forecast method		See Form 8866
K Dispositions of property with section 179 deductions		See the Shareholder's Instructions
L Recapture of section 179 deduction		
M Section 453(i)(3) information		
N Section 453A(c) information		
O Section 1250(b) information		
P Interest allocable to production expenditures		
Q CCF nonqualified withdrawals		
R Depletion information — oil and gas		
S Reserved		
T Section 108(i) information		
U Net investment income		
V Other information		

Form **1125-A**
(Rev December 2012)
Department of the Treasury
Internal Revenue Service

Cost of Goods Sold

► Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.
► Information about Form 1125-A and its instructions is at www.irs.gov/form1125a.

OMB No. 1545-2225

Name Mountain River Guides, Inc		Employer identification number 35-2431799	
1	Inventory at beginning of year.....	1	5,870.
2	Purchases.....	2	13,410.
3	Cost of labor.....	3	
4	Additional section 263A costs (attach schedule)..... See Statement 5.....	4	15,902.
5	Other costs (attach schedule).....	5	
6	Total. Add lines 1 through 5.....	6	35,182.
7	Inventory at end of year.....	7	5,870.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions).....	8	29,312.

9a Check all methods used for valuing closing inventory:

(i) ☒ Cost

(ii) ☐ Lower of cost or market

(iii) ☐ Other (Specify method used and attach explanation)..... ►

b Check if there was a writedown of subnormal goods..... ► ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)..... ► ☐

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO..... **9d**

e If property is produced or acquired for resale, do the rules of section 263A apply to the entity (see instructions)?..... ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If 'Yes,' attach explanation..... ☐ Yes ☒ No

BAA For Paperwork Reduction Act Notice, see Instructions.

Form 1125-A (Rev 12-2012)

Form **4562**

Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

2014

Attachment
Sequence No. **179**

Department of the Treasury
Internal Revenue Service (99)

► Attach to your tax return.
► Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

Name(s) shown on return

Mountain River Guides, Inc

Business or activity to which this form relates

Identifying number
35-2431799

Form **1120S**

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions).....	1	500,000.
2	Total cost of section 179 property placed in service (see instructions).....	2	3,759.
3	Threshold cost of section 179 property before reduction in limitation (see instructions).....	3	2,000,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	0.
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.....	5	500,000.
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
	5-Year SUP Board 14	1,759.	1,759.
	5-Year Raft 14	2,000.	2,000.
7	Listed property. Enter the amount from line 29.....	7	0.
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7.....	8	3,759.
9	Tentative deduction. Enter the smaller of line 5 or line 8.....	9	3,759.
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562.....	10	0.
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs).....	11	80,084.
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.....	12	3,759.
13	Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12.....	13	0.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions).....	14	
15	Property subject to section 168(f)(1) election.....	15	
16	Other depreciation (including ACRS).....	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2014.....	17	61,592.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here.....		<input type="checkbox"/>

Section B — Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property.....						
b 5-year property.....						
c 7-year property.....						
d 10-year property.....						
e 15-year property.....						
f 20-year property.....						
g 25-year property.....			25 yrs		S/L	
h Residential rental property.....	3/11/14	14,507.	27.5 yrs	MM	S/L	418.
i Nonresidential real property.....			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C — Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

20a Class life.....					S/L	
b 12-year.....			12 yrs		S/L	
c 40-year.....			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28.....	21	1,745.
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions.....	22	63,755.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.....	23	

BAA For Paperwork Reduction Act Notice, see separate instructions.

FD-22812L 06/24/14

Form 4562 (2014)

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Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A — Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☒ Yes ☐ No 24b If 'Yes,' is the evidence written? ☒ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	----------------------------------	---	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions). 25

26 Property used more than 50% in a qualified business use:

1997 Ford Bu	6/13/12	100.0	3,707.	3,707.	5.0	200DBHY	712.	
Small Bus	3/05/12	100.0	1,500.	1,500.	5.0	200DBHY	288.	
1988 Thomas	2/17/12	100.0	2,500.	2,500.	5.0	200DBHY	480.	

27 Property used 50% or less in a qualified business use:

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28 1,745.

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29 0.

Section B — Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles).....						
31 Total commuting miles driven during the year.....						
32 Total other personal (noncommuting) miles driven.....						
33 Total miles driven during the year. Add lines 30 through 32.....						
	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
34 Was the vehicle available for personal use during off-duty hours?.....						
35 Was the vehicle used primarily by a more than 5% owner or related person?.....						
36 Is another vehicle available for personal use?.....						

Section C — Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?.....		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.....		
39 Do you treat all use of vehicles by employees as personal use?.....		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?.....		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.).....		

Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
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42 Amortization of costs that begins during your 2014 tax year (see instructions):

43 Amortization of costs that began before your 2014 tax year 43 19,335.

44 Total. Add amounts in column (f). See the instructions for where to report. 44 19,335.

Form 4562 (2014) Mountain River Guides, Inc

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Page 2

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No 24b If 'Yes,' is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions).....							25	
26 Property used more than 50% in a qualified business use:								
94 Dodge Van	2/09/12	100.0	1,382.	1,382.	5.0	200DB HY	265.	
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.....								
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.....								

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles).....						
31 Total commuting miles driven during the year.....						
32 Total other personal (noncommuting) miles driven.....						
33 Total miles driven during the year. Add lines 30 through 32.....						
	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?.....						
35 Was the vehicle used primarily by a more than 5% owner or related person?.....						
36 Is another vehicle available for personal use?.....						

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?.....	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.....		
39 Do you treat all use of vehicles by employees as personal use?.....		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?.....		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)..... Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2014 tax year (see instructions):					
43 Amortization of costs that began before your 2014 tax year.....					
44 Total. Add amounts in column (f). See the instructions for where to report.....					

2014

Federal Statements

Page 1

Mountain River Guides, Inc

35-2431799

Statement 1
Form 1120S, Line 19
Other Deductions

Amortization.....	\$	19,335.
Auto and Truck Expense.....		36,244.
Bank Charges.....		1,511.
Business Gifts.....		41.
Computer & Electronics.....		258.
Crocket Cabin Expense.....		2,033.
Drivers.....		1,326.
French Broad Trip Costs.....		2,428.
Ground Maintenance.....		290.
Guide Food Expense.....		810.
Half Day Snacks.....		208.
Insurance.....		46,571.
KO Expense.....		741.
Legal and Professional.....		3,170.
Maintenance Supplies.....		5,726.
Meals and Entertainment Expense.....		3,933.
Miscellaneous.....		2,562.
Nolichucky Store Cost.....		266.
Nolichucky Trip Costs.....		9,055.
Office Expense.....		4,712.
Outdoor Gear.....		5,281.
Outpost Repairs.....		3,025.
Outside Services.....		170,776.
Petty Cash.....		606.
Photo Expense.....		33.
Photo Labor.....		125.
Postage.....		202.
Raft Repair.....		802.
River Fees.....		700.
River Supplies.....		1,574.
Shipping.....		68.
Shuttle Fee.....		100.
Staff Meeting Expense.....		2,488.
Telephone.....		8,817.
Training.....		845.
Travel.....		660.
Trip Advisor.....		50.
Trip Food.....		8,189.
USDA Forest Service.....		9,115.
Utilities.....		12,790.
Water Testing.....		493.
Website.....		491.
Worley's Cave Trip Costs.....		2,937.
Total	\$	371,387.

Statement 2
Form 1120S, Schedule L, Line 14
Other Assets

	Beginning	Ending
Rounding.....	\$ 0.	\$ 1.
Utility Deposit.....	1,050.	1,050.
Total	\$ 1,050.	\$ 1,051.

2014

Federal Statements

Page 2

Mountain River Guides, Inc

35-2431799

Statement 3
Form 1120S, Schedule L, Line 18
Other Current Liabilities

	<u>Beginning</u>	<u>Ending</u>
Credit Card Payable.....	\$ 10,249.	\$ 10,249.
Total	<u>\$ 10,249.</u>	<u>\$ 10,249.</u>

Statement 4
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Disallowed Meals and Entertainment.....	\$ 3,932.
Section 179 Expense.....	3,759.
Total	<u>\$ 7,691.</u>

Statement 5
Form 1125-A, Line 4
Additional Section 263a Costs

Merchant Accountant Fees.....	\$ 15,902.
Total	<u>\$ 15,902.</u>

2014

Federal Income Tax Summary

Page 1

Mountain River Guides, Inc

35-2431799

ORDINARY INCOME

	2014	2013	Diff
Gross receipts less returns/allowance....	575,526	643,518	-67,992
Cost of goods sold (Form 1125-A).....	29,312	29,090	222
Gross Profit.....	546,214	614,428	-68,214
Total income (loss).....	546,214	614,428	-68,214

ORDINARY DEDUCTIONS

Compensation of officers.....	0	800	-800
Repairs and maintenance.....	0	15,074	-15,074
Rents.....	480	26,000	-25,520
Taxes and licenses.....	13,195	9,043	4,152
Interest.....	500	32,157	-31,657
Depreciation.....	63,755	53,830	9,925
Advertising.....	16,813	86,774	-69,961
Other deductions.....	371,387	434,682	-63,295
Total deductions.....	466,130	658,360	-192,230
Ordinary business income (loss).....	80,084	-43,932	124,016

REFUND OR AMOUNT DUE

Balance due.....	0	0	0
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SCHEDULE K - INCOME

Ordinary business income (loss).....	80,084	0	80,084
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SCHEDULE K - DEDUCTIONS

Section 179 deduction.....	3,759	0	3,759
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SCHEDULE K - ALTERNATIVE MINIMUM TAX ITEMS

Post-1986 depreciation adjustment.....	2,629	0	2,629
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SCHEDULE K - ITEMS AFFECTING BASIS

Nondeductible expenses.....	3,932	0	3,932
Property distributions.....	6,765	0	6,765

SCHEDULE K - OTHER INFORMATION

Income (loss) reconciliation.....	76,325	0	76,325
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SCHEDULE L - BALANCE SHEET

Beginning Assets.....	390,978	0	390,978
Beginning Liabilities & Equity.....	390,978	0	390,978
Ending Assets.....	320,823	0	320,823
Ending Liabilities & Equity.....	320,823	0	320,823

2014

Federal Balance Sheet Summary

Page 1

Mountain River Guides, Inc

35-2431799

ENDING ASSETS

Cash.....		2,197
Inventories.....		5,870
Buildings and other assets.....	267,032	
Less: Accumulated depreciation.....	(187,346)	79,686
Intangible assets.....	290,024	
Less: Accumulated amortization.....	(58,005)	232,019
Other assets.....		1,051
Total Assets.....		320,823

ENDING LIABILITIES & EQUITY

Short-term notes payable.....		10,000
Other current liabilities.....		10,249
Loans from shareholders.....		5,902
Long-term notes payable.....		293,967
Capital stock.....		10,000
Retained earnings.....		-9,295
Total Liabilities and Equity.....		320,823

2014

North Carolina Income Tax Summary

Page 1

Mountain River Guides, Inc

1234591

FRANCHISE TAX (SCHEDULE A)

Capital stock, surplus and profits.....	359
Taxable amount.....	359
Total Franchise tax due.....	35
Franchise tax due.....	35

ADJUSTMENTS TO INCOME (SCHEDULE I)

Total income (loss).....	80,084
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INCOME TAX (SCHEDULE B)

North Carolina net income subject to tax.....	80,084
Apportionment factor.....	50.8964%
Annual report fee.....	25
Income tax due.....	25

TAX DUE OR REFUND

Franchise tax due.....	35
Income tax due.....	25
Balance of tax due.....	60
Total due.....	60

BALANCE SHEET PER BOOKS (SCHEDULE L)

Beginning total assets.....	390,978
Beginning total liab. and equity.....	390,978
Ending total assets.....	320,823
Ending total liab. and equity.....	320,823

2014

Tennessee Income Tax Summary

Page 1

Mountain River Guides, Inc

321903795

FRANCHISE TAX

Total net worth.....	349
Total real & tangible personal property.....	92,660
Franchise tax.....	232

EXCISE TAX

Income subject to excise tax.....	10,438
Excise tax.....	678
Net excise tax due.....	678

TOTAL TAX DUE OR OVERPAYMENT

Total franchise and excise taxes.....	910
Deduct: total credits.....	0
Subtotal.....	910
Deduct: total payments.....	0
Total amount due (overpayment).....	910